



PTO/SB/21 (04-07)

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Total Number of Pages in This Submission

Application Number	09/822,732
Filing Date	3/30/2001
First Named Inventor	Reuben Bahar
Art Unit	3693
Examiner Name	Borlinghaus, Jason M.
Attorney Docket Number	6589-A-3

ENCLOSURES (Check all that apply)

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| <input checked="" type="checkbox"/> Fee Transmittal Form
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1) Check in the amount of \$250.00 |
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Remarks

SIGNATURE OF APPLICANT, ATTORNEY, OR AGENT

Firm Name	Cahill, von Hellens & Glazer, P.L.C.		
Signature			
Printed name	Marvin A. Glazer		
Date	June 12, 2007	Reg. No.	28,801

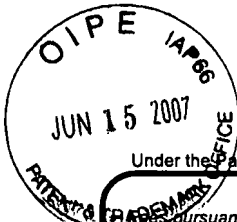
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Signature			
Typed or printed name	Marvin A. Glazer	Date	June 12, 2007

This collection of information is required by 37 CFR 1.5. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.11 and 1.14. This collection is estimated to 2 hours to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

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PTO/SB/17 (06-07)

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FEE TRANSMITTAL

For FY 2007

☒ Applicant claims small entity status. See 37 CFR 1.27

TOTAL AMOUNT OF PAYMENT	(\$)	250.00
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Complete if Known

Application Number	09/822,732
Filing Date	3/30/2001
First Named Inventor	Reuben Bahar
Examiner Name	Borlinghaus, Jason M.
Art Unit	3693
Attorney Docket No.	6589-A-3

METHOD OF PAYMENT (check all that apply)

☒ Check ☐ Credit Card ☐ Money Order ☐ None ☐ Other (please identify): _____

☒ Deposit Account Deposit Account Number: 03-0088 Deposit Account Name: Cahill, von Hellens &

For the above-identified deposit account, the Director is hereby authorized to: (check all that apply)

☐ Charge fee(s) indicated below ☐ Charge fee(s) indicated below, **except for the filing fee**

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FEE CALCULATION

1. BASIC FILING, SEARCH, AND EXAMINATION FEES

Application Type	FILING FEES		SEARCH FEES		EXAMINATION FEES		Fees Paid (\$)
	Fee (\$)	<u>Small Entity</u> Fee (\$)	Fee (\$)	<u>Small Entity</u> Fee (\$)	Fee (\$)	<u>Small Entity</u> Fee (\$)	
Utility	300	150	500	250	200	100	_____
Design	200	100	100	50	130	65	_____
Plant	200	100	300	150	160	80	_____
Reissue	300	150	500	250	600	300	_____
Provisional	200	100	0	0	0	0	_____

2. EXCESS CLAIM FEES

Fee Description	Fee (\$)	<u>Small Entity</u> Fee (\$)
Each claim over 20 (including Reissues)	50	25
Each independent claim over 3 (including Reissues)	200	100
Multiple dependent claims	360	180

Total Claims Extra Claims Fee (\$) Fee Paid (\$)

_____ - 20 or HP = _____ x _____ = _____

HP = highest number of total claims paid for, if greater than 20.

Indep. Claims Extra Claims Fee (\$) Fee Paid (\$)

_____ - 3 or HP = _____ x _____ = _____

HP = highest number of independent claims paid for, if greater than 3.

3. APPLICATION SIZE FEE

If the specification and drawings exceed 100 sheets of paper (excluding electronically filed sequence or computer listings under 37 CFR 1.52(e)), the application size fee due is \$250 (\$125 for small entity) for each additional 50 sheets or fraction thereof. See 35 U.S.C. 41(a)(1)(G) and 37 CFR 1.16(s).

Total Sheets	Extra Sheets	Number of each additional 50 or fraction thereof	Fee (\$)	Fee Paid (\$)
_____	_____	_____ / 50 = _____ (round up to a whole number) x _____ = _____	_____	_____

4. OTHER FEE(S)

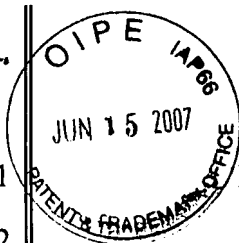
Non-English Specification, \$130 fee (no small entity discount)

Other (e.g., late filing surcharge): None of Appeal Brief 250.00

SUBMITTED BY		
Signature	<u>Marvin A. Glazer</u>	Registration No. (Attorney/Agent) 28,801
Name (Print/Type)	Marvin A. Glazer	Telephone (602) 956-7000
		Date 6/12/2007

This collection of information is required by 37 CFR 1.136. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 30 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

APPL. NO.: 09/822,732

APPLICANTS: REUBEN BAHAR

FILED: 03/30/2001

FOR: "METHOD AND SYSTEM FOR
AUCTIONING BAD DEBTS
UTILIZING ASSORTING
ARRANGEMENT BASED ON THE
GEOGRAPHIC LOCATION WHERE
JURISDICTION IS PRESENT OVER
THE DEBTOR"

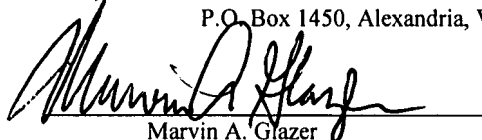
Art Unit 3693

Examiner: Borlinghaus, Jason M.

Confirmation No. 7238

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Marvin A. Glazer

6/12/07
Date

BRIEF OF APPELLANT

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Commissioner for Patents
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Alexandria, VA 22313-1450

06/18/2007 EHAILE1 00000005 09822732

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Sir:

This Brief is in support of the Notice of Appeal filed in the Patent Office by the above-identified Applicant/Appellant on April 12, 2007, appealing the final rejection of the Examiner

1 dated April 5, 2007, finally rejecting claims 1-6, 8-11, 13-19, 21-25, 28-38, 40-45, 47, 50 and 55-
2 64. This Brief is being filed in triplicate, is accompanied by the requisite fee (\$250.00) set forth in
3 § 41.20(b)(2) for a small entity, and sets forth the authorities and arguments on which Appellant
4 relies to maintain this appeal. A Claims Appendix, setting forth the text of the claims involved in
5 this appeal, is attached hereto.

6
7 **1. Real Party In Interest.**

8 The real party in interest is the applicant/inventor, namely, Reuben Bahar of West Hills,
9 California. The claimed invention has not been assigned or licensed.

10
11 **2. Related Appeals and Interferences.**

12 None.

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14 **3. Status of Claims.**

15 None of the pending claims are allowed or objected to. All of claims 1-64 are either
16 rejected and being appealed, or have been canceled, in accordance with the listing below:

<u>Claims</u>	<u>Status</u>
1-5	Rejected and being appealed.
6*	Rejected and being appealed.
7.	Canceled.
8*	Rejected and being appealed.
9-10	Rejected and being appealed.
11*	Rejected and being appealed.
12.	Canceled.
13-15*	Rejected and being appealed.
16-18	Rejected and being appealed.

1	19	Rejected and being appealed.
2	20.	Canceled.
3	21	Rejected and being appealed.
4	22*	Rejected and being appealed.
5	23	Rejected and being appealed.
6	24-25*	Rejected and being appealed.
7	26.	Canceled.
8	27.	Canceled.
9	28-38	Rejected and being appealed.
10	39.	Canceled.
11	40-45	Rejected and being appealed.
12	46.	Canceled.
13	47	Rejected and being appealed.
14	48.	Canceled.
15	49.	Canceled.
16	50	Rejected and being appealed.
17	51.	Canceled.
18	52.	Canceled.
19	53.	Canceled.
20	54.	Canceled.
21	55-64	Rejected and being appealed.

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* Those claim numbers listed above, and designated with an asterisk (“*”) were, in fact, rejected in the final Office Action mailed on April 5, 2007. However, the Patent Examiner did not indicate the status of those claims on the Office Action Summary Sheet (the second page) of the final Office Action. As a result, these claim numbers were inadvertently omitted from Applicant’s Notice of

1 Appeal; Applicant intended to appeal from the rejection of all rejected claims; when drafting the
2 Notice of Appeal, Applicant's attorney was misled by the error in the Office Action Summary
3 Sheet.

4
5 **4. Status of Amendments.**

6 There have been no amendments filed subsequent to the issuance of the final rejection
7 mailed on April 5, 2007.

8
9 **5. Summary of Claimed Subject Matter.**

10 Applicant has set forth below a concise explanation of the subject matter defined in each of
11 the independent claims (1, 31, 32, 33, 38, 45, 47 and 55) involved in the appeal, including
12 references to the specification by page and line number, and to the drawings by reference
13 characters, where appropriate.

14
15 **Claim 1:**

16 Method claim 1 recites a method of auctioning bad debts (e.g., bad debt item 1 designated
17 by reference number 29 in Figs. 3 and 4, or lot package 1 designated by reference number 33 in
18 Figs. 3 and 4) to a plurality of clients (e.g., the participants designated by reference numerals 1, 4
19 and 7 in Fig. 1). The recited method includes the step of placing select information relating to at
20 least one bad debt (e.g., item 29 in Figs. 3 and 4) in on an online auction forum (e.g., the auction
21 forum provided by remote host system 14 in Fig. 1). The select information includes at least one
22 distinct bad debt item (e.g., item 29 in Figs. 3 and 4) to be displayed on a bidding site (e.g., item 17
23 in Fig. 3) of the online auction forum. The method of claim 1 also includes the step of establishing
24 at least one bidding site (e.g., item 17 in Fig. 3) on the online auction forum (e.g., the auction forum
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1 provided by remote host system 14 in Fig. 1), wherein the bidding site is associated with a database
2 (e.g., reference number 18 in Fig. 1; and reference numbers 46, 49 and 52 in Fig. 5), wherein the
3 database includes the aforementioned bad debt item. The method of claim 1 includes the further
4 step of classifying the bad debt item (e.g., item 29 in Figs. 3 and 4) based on a geographic territory
5 where the corresponding debtor resides (e.g., at page 9 of Applicant's specification, it is stated that
6 "[s]elect information can consist of data that is determined to be informative and suitable for
7 display on the online auction forum", including "the geographic location where the debtor is
8 currently situated ..."; at page 12 of Applicant's specification, it is stated that, preferably, "the
9 geographic locality where the bad debt item is classified into is the territory that the debtor is
10 currently domiciled in.). Method claim 1 additionally recites the step of displaying the bad debt
11 item on said bidding site in accordance with such geographic territory (in this regard, Applicant's
12 specification states, at page 13, that "the designated location bidding site 17 will preferably display
13 bad debt items that belong to debtors who are under the jurisdiction of the same locality as that of
14 the selected designated location bidding site.").

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19 Claim 31:

20 System claim 31 recites a system for selling bad debts (e.g., bad debt item 1 designated by
21 reference number 29 in Figs. 3 and 4, or lot package 1 designated by reference number 33 in Figs. 3
22 and 4), including a remote host system (item 14 in Fig. 1) connected to a communications network
23 (e.g., Internet 11 in Fig. 1). The recited remote host system includes a central processor (20 in Fig.
24 1) for processing data, a data storage element (21 in Fig. 1 for storing data), and software (15 in
25 Fig. 1) installed for execution on the central processor (20). The remote host system also includes a
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1 database (18 in Fig. 1) associated with at least one sales site module (17 in Fig. 1). The database
2 (18) includes at least one bad debt item (e.g., bad debt item 1 designated by reference number 29 in
3 Figs. 3 and 4, or lot package 1 designated by reference number 33 in Figs. 3 and 4) accessible on
4 the associated sales site module (17) in accordance with a geographic territory where the debtor
5 resides (e.g., at page 9 of Applicant's specification, it is stated that "[s]elect information can consist
6 of data that is determined to be informative and suitable for display on the online auction forum",
7 including "the geographic location where the debtor is currently situated ..."; at page 12 of
8 Applicant's specification, it is stated that, preferably, "the geographic locality where the bad debt
9 item is classified into is the territory that the debtor is currently domiciled in.). The aforementioned
10 software (15) is configured to run multiple, concurrent, and distinct client sessions (see page 15 of
11 Applicant's specification, which explains that "each designated location bidding site ... will display
12 a separate and distinct bidding phase interval that runs simultaneously with other bidding phase
13 intervals running on other designated location bidding sites") on the remote host system (14). The
14 system of claim 31 further includes an interface element (remote interface 12 in Fig. 1) for
15 providing public access to the aforementioned software (15), wherein a plurality of clients (1, 4 and
16 7 in Fig. 1) may each participate in an online session of such software, running on the remote host
17 system (14), from client systems (2, 5, and 8 in Fig. 1) connected to the communications network
18 (11), and wherein each of the plurality of clients (1, 4 and 7) may be able to purchase the bad debt
19 item (29/33) available for sale on the associated sales site (17).
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25 Claim 32:
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1 Method claim 32 recites a method of outright selling bad debts (e.g., bad debt item 1
2 designated by reference number 29 in Figs. 3 and 4, or lot package 1 designated by reference
3 number 33 in Figs. 3 and 4) including the step of placing select information relating to at least one
4 bad debt (e.g., item 29 in Figs. 3 and 4) on an online sales forum (e.g., the sales forum provided by
5 remote host system 14 in Fig. 1). The select information includes at least one distinct bad debt item
6 (e.g., item 29 in Figs. 3 and 4) to be displayed on a sales site (e.g., item 17 in Fig. 3) of the online
7 sales forum. The method of claim 32 also includes the step of establishing at least one sales site
8 (e.g., item 17 in Fig. 3) on the online sales forum (e.g., the sales forum provided by remote host
9 system 14 in Fig. 1), wherein the sales site is associated with a database (e.g., reference number 18
10 in Fig. 1; and reference numbers 46, 49 and 52 in Fig. 5), and wherein the database includes the
11 aforementioned bad debt item. The method of claim 32 further includes the step of classifying the
12 bad debt item (e.g., item 29 in Figs. 3 and 4) based on a geographic territory where the
13 corresponding debtor resides (e.g., at page 9 of Applicant's specification, it is stated that "[s]elect
14 information can consist of data that is determined to be informative and suitable for display on the
15 online auction forum", including "the geographic location where the debtor is currently situated ...";
16 at page 12 of Applicant's specification, it is stated that, preferably, "the geographic locality where
17 the bad debt item is classified into is the territory that the debtor is currently domiciled in.).
18 Method claim 32 also includes the step of displaying the bad debt item on the sales site in
19 accordance with such geographic territory (in this regard, Applicant's specification states, at page
20 13, that "the designated location bidding site 17 will preferably display bad debt items that belong
21 to debtors who are under the jurisdiction of the same locality as that of the selected designated
22 location bidding site.").

1 Claim 33:

2 Claim 33 recites a computer-assisted method of offering bad debts (e.g., bad debt item 1
3 designated by reference number 29 in Figs. 3 and 4, or lot package 1 designated by reference
4 number 33 in Figs. 3 and 4) for sale, including the step of compiling information relating to at least
5 one bad debt (e.g., Applicant's specification states, at page 6, that the "... data for each bad debt can
6 consist of select information pertaining to the bad debt that is determined to be informative and
7 suitable for display on the auction forum and comprises a distinct bad debt item."). Each bad debt
8 is associated with a particular debtor (e.g., page 8 of Applicant's specification explains that "a
9 client can locate, bid for, and purchase bad debts that may be collected in a territorial district that
10 has jurisdiction over the debtor"). The compiled information includes a geographical location
11 wherein the associated debtor resides (e.g., at page 9 of Applicant's specification, it is stated that
12 "[s]elect information can consist of data that is determined to be informative and suitable for
13 display on the online auction forum", including "the geographic location where the debtor is
14 currently situated ..."; at page 12 of Applicant's specification, it is stated that, preferably, "the
15 geographic locality where the bad debt item is classified into is the territory that the debtor is
16 currently domiciled in.).

17 The computer-assisted method of claim 33 also includes the step of storing compiled
18 information relating to the at least one bad debt in a computerized database (e.g., reference number
19 18 in Fig. 1; and reference numbers 46, 49 and 52 in Fig. 5). Method claim 33 further includes the
20 step of allowing a potential purchaser of bad debts to specify at least one geographical location of
21 interest (e.g., page 12 of Applicant's specification explains that "[s]election menu 16 allows each of
22 the clients 1,4, and 7 to choose a particular geographic locality from which to view and/or bid on
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1 bad debts.”). In addition, method claim 33 includes the step of locating bad debts stored in the
2 computerized database (e.g., reference number 18 in Fig. 1; and reference numbers 46, 49 and 52 in
3 Fig. 5) for which the geographical location specified by the potential purchaser corresponds with
4 the stored geographical location wherein said associated debtor resides (in this regard, Applicant’s
5 specification, at page 12, states that “[u]pon clicking the select button 27, the client will be taken to
6 the ‘Los Angeles bidding site’, which only displays bad debt items belonging to debtors who are
7 under the jurisdiction of Los Angeles County.”). Further, method claim 33 includes the step of
8 providing the potential purchaser with information from the computerized database (18 of Fig. 1;
9 46, 49 and 52 of Fig. 5) relating to a bad debt (e.g., item 29 in Figs. 3 and 4) for which the stored
10 geographical location regarding the associated debtor corresponds to the geographical location
11 specified by the potential purchaser (in this regard, Applicant’s specification states, at page 13, that
12 “the designated location bidding site 17 will preferably display bad debt items that belong to
13 debtors who are under the jurisdiction of the same locality as that of the selected designated
14 location bidding site.”).¹

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19 Claim 38:
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22 ¹ In the course of preparing this Appeal Brief, Applicant first noted that the final step of claim
23 33 still refers to a “... geographical location wherein jurisdiction is present over the associated debtor”,
24 whereas the earlier steps recited in claim 33 were amended to recite a “... geographical location wherein
25 said associated debtor resides”. Applicant will seek to amend the final clause of claim 33 to refer to the
26 “... geographical location wherein said associated debtor resides”, perhaps by Amendment under Rule
27 312, provided that the Board reverses the final rejection of such claim under Section 103(a).

1 Claim 38 recites a computer-assisted method of offering bad debts (e.g., bad debt item 1
2 designated by reference number 29 in Figs. 3 and 4, or lot package 1 designated by reference
3 number 33 in Figs. 3 and 4) for sale, including the step of compiling information relating to a
4 plurality of bad debts (e.g., Applicant's specification states, at page 6, that the "... data for each bad
5 debt can consist of select information pertaining to the bad debt that is determined to be
6 informative and suitable for display on the auction forum and comprises a distinct bad debt item.").

7 Each bad debt is associated with a corresponding debtor (e.g., page 8 of Applicant's specification
8 explains that "a client can locate, bid for, and purchase bad debts that may be collected in a
9 territorial district that has jurisdiction over the debtor"). The compiled information includes a
10 geographical location wherein the corresponding debtor resides (e.g., at page 9 of Applicant's
11 specification, it is stated that "[s]elect information can consist of data that is determined to be
12 informative and suitable for display on the online auction forum", including "the geographic
13 location where the debtor is currently situated ..."; at page 12 of Applicant's specification, it is
14 stated that, preferably, "the geographic locality where the bad debt item is classified into is the
15 territory that the debtor is currently domiciled in.). The computer-assisted method of claim 38 also
16 includes the step of storing compiled information relating to the plurality of bad debts (e.g., lot
17 package 33 in Fig. 4) in a computerized database (e.g., reference number 18 in Fig. 1; and
18 reference numbers 46, 49 and 52 in Fig. 5). Method claim 38 further includes the step of allowing
19 a potential purchaser of bad debts to specify at least one geographical location of interest (page 12
20 of Applicant's specification explains that "[s]election menu 16 allows each of the clients 1,4, and 7
21 to choose a particular geographic locality from which to view and/or bid on bad debts."). Method
22 claim 38 also includes the step of locating bad debts stored in the computerized database for which
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1 the geographical location specified by the potential purchaser corresponds with the stored
2 geographical location wherein the associated debtor resides (in this regard, Applicant's
3 specification, at page 12, states that "[u]pon clicking the select button 27, the client will be taken to
4 the 'Los Angeles bidding site', which only displays bad debt items belonging to debtors who are
5 under the jurisdiction of Los Angeles County.").

7 Method claim 38 further includes the step of providing the potential purchaser with
8 information from the computerized database relating to a plurality of bad debts grouped as a
9 package (e.g., lot package 33 in Fig. 3) wherein each of the packaged bad debts has a stored
10 geographical location wherein the associated debtors reside corresponding to the geographical
11 location specified by the potential purchaser (in this regard, Applicant's specification states, at page
12 13, that "the designated location bidding site 17 will preferably display bad debt items that belong
14 to debtors who are under the jurisdiction of the same locality as that of the selected designated
15 location bidding site.").

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18 Claim 45:

19 Claim 45 recites a computer-assisted method of offering bad debts (e.g., bad debt item 1
20 designated by reference number 29 in Figs. 3 and 4, or lot package 1 designated by reference
21 number 33 in Figs. 3 and 4) for sale, including the step of providing a computerized database (18
22 in Fig. 1) containing information (e.g., Applicant's specification states, at page 6, that the "... data
23 for each bad debt can consist of select information pertaining to the bad debt that is determined to
24 be informative and suitable for display on the auction forum and comprises a distinct bad debt
25 item.") relating to a plurality of bad debts (see, e.g., lot package 33 in Fig. 3). Each bad debt is
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1 associated with a corresponding debtor (e.g., page 8 of Applicant's specification explains that "a
2 client can locate, bid for, and purchase bad debts that may be collected in a territorial district that
3 has jurisdiction over the debtor"). The computerized database includes geographical information,
4 for each associated debtor, indicating at least one territory wherein the associated debtor resides
5 (e.g., at page 9 of Applicant's specification, it is stated that "[s]elect information can consist of data
6 that is determined to be informative and suitable for display on the online auction forum",
7 including "the geographic location where the debtor is currently situated ..."; at page 12 of
8 Applicant's specification, it is stated that, preferably, "the geographic locality where the bad debt
9 item is classified into is the territory that the debtor is currently domiciled in.).
10

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12 Method claim 45 further includes the step of allowing a potential purchaser of bad debts to
13 specify at least one geographical territory of interest (page 12 of Applicant's specification explains
14 that "[s]election menu 16 allows each of the clients 1,4, and 7 to choose a particular geographic
15 locality from which to view and/or bid on bad debts."). Method claim 45 also includes the step of
16 locating bad debts stored in the computerized database for which the geographical territory
17 specified by the potential purchaser corresponds with the territory wherein the associated debtor
18 resides (in this regard, Applicant's specification, at page 12, states that "[u]pon clicking the select
19 button 27, the client will be taken to the 'Los Angeles bidding site', which only displays bad debt
20 items belonging to debtors who are under the jurisdiction of Los Angeles County."). Method claim
21
22 45 further includes the step of providing the potential purchaser with information from the
23 computerized database relating to at least one bad debt for which the territory wherein the
24 associated debtor resides corresponds to the geographical territory specified by the potential
25 purchaser (in this regard, Applicant's specification states, at page 13, that "the designated location
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1 bidding site 17 will preferably display bad debt items that belong to debtors who are under the
2 jurisdiction of the same locality as that of the selected designated location bidding site.”).

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5 Claim 47:

6 Claim 47 recited a method of marketing uncollected debts, each of which is associated with
7 a corresponding debtor (e.g., page 8 of Applicant’s specification explains that “a client can locate,
8 bid for, and purchase bad debts that may be collected in a territorial district that has jurisdiction
9 over the debtor”). Each of the corresponding debtors resides in one or more geographic territories
10 (e.g., page 12 of Applicant’s specification states that, preferably, “the geographic locality where the
11 bad debt item is classified into is the territory that the debtor is currently domiciled in.”). Method
12 claim 47 includes the step of gathering debt information about a plurality of such uncollected debts
13 (e.g., Applicant’s specification states, at page 6, that the “... data for each bad debt can consist of
14 select information pertaining to the bad debt that is determined to be informative and suitable for
15 display on the auction forum and comprises a distinct bad debt item.”). Method claim 47 further
16 includes the step of gathering debtor residence information regarding geographic territories in
17 which the debtor associated with each of such uncollected debts resides (e.g., at page 9 of
18 Applicant’s specification, it is stated that “[s]elect information can consist of data that is
19 determined to be informative and suitable for display on the online auction forum”, including “the
20 geographic location where the debtor is currently situated ...”; at page 12 of Applicant’s
21 specification, it is stated that, preferably, “the geographic locality where the bad debt item is
22 classified into is the territory that the debtor is currently domiciled in.”).

1 Method claim 47 further includes the step of storing the gathered debt information and
2 gathered debtor residence information in a computer storage element (i.e., in reference number 18
3 in Fig. 1; or in reference numbers 46, 49 and 52 in Fig. 5). Method claim 47 also includes the step
4 of allowing a client to specify a geographic territory of interest (e.g., page 12 of Applicant's
5 specification states that "[s]election menu 16 allows each of the clients 1, 4, and 7 to choose a
6 particular geographic locality from which to view and/or bid on bad debts."). In addition, method
7 claim 47 includes the step of providing the client with information from the computer storage
8 element relating to at least one uncollected debt for which the corresponding debtor resides within
9 the geographic territory specified by the client (in this regard, Applicant's specification, at page 12,
10 states that "[u]pon clicking the select button 27, the client will be taken to the 'Los Angeles bidding
11 site', which only displays bad debt items belonging to debtors who are under the jurisdiction of Los
12 Angeles County.").

13
14
15
16 Claim 55:

17
18 Claim 55 recites a method of offering bad debts (e.g., bad debt item 1 designated by
19 reference number 29 in Figs. 3 and 4, or lot package 1 designated by reference number 33 in Figs. 3
20 and 4) for sale, and includes the step of compiling a plurality of bad debts (e.g., Applicant's
21 specification states, at page 6, that the "... data for each bad debt can consist of select information
22 pertaining to the bad debt that is determined to be informative and suitable for display on the
23 auction forum and comprises a distinct bad debt item."). Each bad debt is associated with a
24 particular debtor (e.g., page 8 of Applicant's specification explains that "a client can locate, bid for,
25 and purchase bad debts that may be collected in a territorial district that has jurisdiction over the
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1 debtor"). Each of such debtors resides within at least one geographic territory (e.g., at page 9 of
2 Applicant's specification, it is stated that "[s]elect information can consist of data that is
3 determined to be informative and suitable for display on the online auction forum", including "the
4 geographic location where the debtor is currently situated ..."; at page 12 of Applicant's
5 specification, it is stated that, preferably, "the geographic locality where the bad debt item is
6 classified into is the territory that the debtor is currently domiciled in.).

8 The method of claim 55 includes the step of providing select information pertaining to at
9 least one of such bad debts (e.g., Applicant's specification states, at page 6, that the "... data for
10 each bad debt can consist of select information pertaining to the bad debt that is determined to be
11 informative and suitable for display on the auction forum and comprises a distinct bad debt item")
12 to a remote host web site (e.g., item 13 in Fig. 1) connected to a communications network (e.g.,
13 Internet 11 in Fig.1). Claim 55 also includes the step of allowing a remote client (e.g., clients 1,4,
14 and 7 in Fig. 1) to access said host web (13) site over a communications network (11). Claim 55
15 further includes the step of allowing the client to select at least one geographic territory (e.g., page
16 12 of Applicant's specification explains that "[s]election menu 16 allows each of the clients 1,4,
17 and 7 to choose a particular geographic locality from which to view and/or bid on bad debts."").
18 Claim 55 also includes the step of providing the remote client (1, 4, 7 in Fig. 1) with information
19 relating to at least one bad debt for which the associated debtor resides within the geographic
20 territory selected by the remote client (in this regard, Applicant's specification, at page 12, states
21 that "[u]pon clicking the select button 27, the client will be taken to the 'Los Angeles bidding site',
22 which only displays bad debt items belonging to debtors who are under the jurisdiction of Los
23 Angeles County."").
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1 **6. Grounds of Rejection to be Reviewed on Appeal:**

2 a. Did the Patent Examiner error in rejecting claims 1-5, 9-10, 16-18, 21, 23, 28-38, 40-45,
3 47, 50 and 55-64 as describing subject matter that would have been obvious to those skilled in the
4 art under 35 U.S.C. Section 103(a) based upon Morris² in view of Brown³?

5
6 b. Did the Patent Examiner error in rejecting claims 6, 11, and 19 as describing subject
7 matter that would have been obvious to those skilled in the art under 35 U.S.C. Section 103(a)
8 based upon Morris and Brown in view of Rivkin⁴?

9
10 c. Did the Patent Examiner error in rejecting claims 8, 13-15, and 22 as describing subject
11 matter that would have been obvious to those skilled in the art under 35 U.S.C. Section 103(a)
12 based upon Morris and Brown in view of Keyes⁵?

13 d. Did the Patent Examiner error in rejecting claims 24 and 25 that would have been
14 obvious to those skilled in the art under 35 U.S.C. Section 103(a) based upon Morris and Brown in
15 view of Atkinson⁶?

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21 ² U.S. Patent Publ. 2001/0034662 (Morris).

22 ³ Brown, James J., Judgment Enforcement. 2nd Ed., Aspen Publishers, Dec. 1, 1995.

23 ⁴ Rivkin, et al., Financial & Cross-Borders Litigation, International Financial Law Review,
24 Euromoney Publications, July 1994.

25 ⁵ U.S. Pat. No. 6,456,983 (Keyes).

26 ⁶ U.S. Pat. Publ. No. 2001/0021923 (Atkinson).

1 **7. Argument.**

2 **A. The Cited Prior Art.**

3 Morris (U.S. Patent Publ. 2001/0034662):

4
5 The Morris reference describes a method for selling debt accounts to one or more potential
6 buyers using a computer network. A computer readable database includes data relating to multiple
7 debt accounts. The accounts are grouped into one or more lots. A potential buyer designates
8 information used to search the computer readable database. Purchase offers are received from
9 potential buyers for one or more of such grouped lots. These purchase offers are, in turn,
10 communicated to the seller.
11

12 The Morris specification includes the following statement:

13 “The accounts 80 will preferably be grouped into lots 78 based upon at least one correlation
14 among the data in the data fields. The step of grouping the lots 78 preferably further
15 includes the step of receiving from the seller at least one criterion upon which the accounts
are to be grouped into lots. (e.g., by region, state or two-digit ZIP code).”

16 However, as noted by the Examiner on page 4 of the final Office Action, Morris does not classify
17 bad debt items “based on the geographic territory where said debtor resides”.
18

19 Brown, James J., Judgment Enforcement. 2nd Ed., Aspen Publishers, Dec. 1, 1995:

20 The cited legal publication by Brown relates generally to the enforcement of judgments.
21
22 The Examiner has referenced, in particular, pages 1-19 and 1-20; pages 2-6, 2-7, and 2-8; and page
23 4-13 of Brown.

24 Pages 1-19 and 1-20 of Brown relate to nationwide enforcement of debts owed to the U.S.
25 Government. At page 1-19, Brown notes that the Federal Debt Collection Procedures Act includes
26
27

1 a provision whereby a debtor who is sued in a jurisdiction that is not the district of the debtor's
2 residence may request transfer of such proceeding to the district of the debtor's residence. Pages 1-
3 19 and 1-20 do not relate to classification of debts, nor to the auction or sale of debts.

4
5 Pages 2-6, 2-7, and 2-8 of the Brown treatise mention investigating the "location and
6 sufficiency of the debtor's assets and property interests"; suggest examination of "the creditor's
7 files on the debtor to identify assets which might satisfy a judgment"; and mention other methods
8 of discovering assets of the debtor, including a "trip to debtor's headquarters or residence and a
9 canvassing of the general area [to] reveal area banks in which the debtor may have accounts."

10
11 Page 4-13 of Brown appears to relate to a provision of the debt collection laws of the State
12 of Florida wherein a creditor who has already secured a judgment may move the court for an Order
13 compelling the judgment debtor to appear for a debtor examination to determine what property the
14 debtor owns. This Florida law apparently limits the scope of such an Order to an examination of
15 the debtor "in the debtor's county of residence" after a judgment has already been obtained by a
16 creditor against the judgment debtor.

17
18
19 Rivkin, et al., Financial & Cross-Borders Litigation, International Financial Law Review,
20 Euromoney Publications, July 1994:

21 The Rivkin article was applied by the Examiner in the final Office Action, in combination
22 with Morris and Brown, against claims 6, 11 and 19. Rivkin states that the "most common means
23 of enforcing a judgment is by requesting that a court with jurisdiction issue a writ of execution or
24 similar order." The Rivkin article states that "the real property, equipment, fixtures, and personal
25 property of a judgment debtor are seized by law enforcement officers and then sold at a judicially
26

1 supervised public auction.” Rivkin discusses the concept of personal jurisdiction by a court over a
2 debtor. Rivkin does not discuss the residence of the debtor, but only the location of assets owned
3 by a debtor against whom a judgment has already been obtained.
4

5
6 Keyes (U.S. Pat. No. 6,456,983):

7 The Keyes patent was applied by the Examiner in the final Office Action, in combination
8 with Morris and Brown, against claims 8, 13-15, and 22. The Examiner concedes in the Office
9 Action that Morris does not teach the association of rating information (indicative of the potential
10 for collection of the bad debt from the debtor) with such bad debts in the Morris database. Keyes
11 states that “delinquent accounts are scored”, and that the delinquent accounts are “placed into a
12 plurality of groups”. Keyes further states that a “liquidation profile is established for each portion
13 of the historical delinquent accounts defined by the application of the noted score clusters thereto.
14 When an offer is made in relation to currently delinquent accounts, each of these current delinquent
15 accounts is scored and then separated into a plurality of groups.
16
17

18
19 Atkinson (U.S. Pat. Publ. No. 2001/0021923):

20 The Atkinson publication was applied by the Examiner in the final Office Action, in
21 combination with Morris and Brown, against claims 24 and 25. Atkinson discloses a system in
22 which sellers downwardly bid against one another to achieve the lowest market price in a supplier-
23 bidding auction, wherein two or more auctions are conducted chronologically one after another, and
24 wherein each such auction is referred to herein as an "auction round."
25
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1 **B. The Examiner's Rejections:**

2 Within the final Office Action mailed April 5, 2007, the Patent Examiner finally rejected
3 claims 1-6, 8-11, 13-19, 21-25, 28-38, 40-45, 47, 50 and 55-64 under Section 103(a).

4 The Examiner rejected claims 1-5, 9-10, 16-18, 21, 23, 28-38, 40-45, 47, 50 and 55-64
5 (which includes all of the independent claims) under Section 103(a) based upon Morris and Brown.

6 The Examiner rejected dependent claims 6, 11, and 19 under Section 103(a) based upon
7 Morris and Brown in view of Rivkin. The Examiner relies upon Rivkin as teaching the alleged
8 obviousness of modifying Morris and Brown to further define geographic territories in which courts
9 have personal jurisdiction over the debtor.
10

11 The Examiner rejected dependent claims 8, 13-15, and 22 under Section 103(a) based upon
12 Morris and Brown in view of Keyes. The Examiner relies upon Keyes as teaching the alleged
13 obviousness of rating, or scoring, each of the debts being auctioned by Morris based upon the
14 potential for collecting the bad debt from the debtor.
15

16 Finally, the Examiner rejected dependent claims 24 and 25 under Section 103(a) based upon
17 Morris and Brown in view of Atkinson. The Examiner relies upon Atkinson as allegedly
18 suggesting the modification of Morris to use bidding intervals, or "auction rounds".
19

20
21 **C. The Cited Patents Do Not Render Obvious the Appealed Claims:**

22 Claim 1: As noted above, claim 1 is directed to a method of auctioning bad debts to a
23 plurality of clients which includes the steps of placing select information relating to at least one bad
24 debt on an online auction forum; the select information includes one or more distinct bad debt
25 items to be displayed on a bidding site of the online auction forum. These one or more bad debt
26

1 items are included in a computer database. The bidding site is established on the online auction
2 forum, and is associated with the database. Each of the one or more bad debt items is classified
3 based on a geographic territory where the related debtor resides. The method of claim 1 includes
4 the step of displaying each of the one or more bad debt items on the bidding site in accordance with
5 the geographic territory(or territories) where the debtor(s) reside.
6

7 Within the final Office Action, the Patent Examiner concedes that Morris does not classify
8 bad debt items based upon the debtor's residence; see pages 4 and 30 of the final Office Action.
9 Accordingly, the Examiner argues that it would have been obvious to those skilled in the art, based
10 upon the cited Brown article, to modify the system disclosed by Morris to classify bad debt items
11 based upon the debtor's residence. However, as will be shown below, the prior art relied upon by
12 the Examiner does not teach or suggest the proposed modification.
13

14 The Examiner states, at page 30 of the final Office Action, that "Morris is geared toward
15 the sale of bad debt items to purchasers so as to allow said purchasers to collect upon such bad debt
16 items and, ultimately, the legal process of collecting must be considered." In support of such
17 position, the Examiner refers to that portion of the Morris specification which states: "[t]his
18 database 50 also provide *[sic]* support service after each transaction such as returning accounts and
19 legal media supporting the legal process of debt collection." This passing reference in Morris to
20 "legal media supporting the legal process of debt collection" suggests, at best, that articles about
21 debt collection might be included in the Morris' database as a service to subscribers; it has nothing
22 to do with establishing how debt items are classified and/or displayed to potential purchasers for
23 purposes of auction or bidding.
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1 The Examiner contends (see page 31 of the final Office Action) that the “geographic region
2 in which the debtor resides is a key component of the collection and judgment enforcement
3 process”; the Examiner’s sole support of such contention is the cited Brown publication
4 (specifically, page 1-19; page 1-20; page 2-6; page 2-7; page 2-8; and page 4-13). However, an
5 examination of the portions of Brown relied upon by the Examiner shows that, in fact, Brown does
6 not suggest that the debtor’s residence is a “key component” of the collection and judgment
7 enforcement process.
8

9 Pages 1-19 and 1-20 of Brown relate to nationwide enforcement of debts owed to the U.S.
10 Government. The only reference to the debtor’s residence on pages 1-19 and 1-20 relates to a
11 discussion of the Federal Debt Collection Procedures Act; here, Brown discusses a provision of
12 such Act whereby a debtor sued in a foreign jurisdiction, distant from the debtor’s residence, may
13 request transfer of such proceeding to the district of the debtor’s residence. This provision of the
14 law is clearly for the debtor’s convenience⁷, and is unrelated to the ease of collecting the debt from
15 the perspective of a party seeking collection. Accordingly, pages 1-19 and 1-20 of Brown,
16 regarding a judgment debtor’s ability to transfer an enforcement action to the debtor’s district of
17 residence, does not suggest the classification of auctioned debts according to the debtor’s residence.
18
19

20 Page 2-6 of the Brown treatise is directed to collection of judgments, and advises “a
21 determination of the location and sufficiency of the debtor’s assets and property interests.” Page 2-
22 6 of Brown further states that “one should consider examining the creditor’s files on the debtor to
23

24
25 ⁷ As Brown notes, at page 1-19, “[a] provision for transferring the action or proceeding to the
26 district of the debtor’s residence - in response to a timely request of the debtor - safeguards debtor
27 interest.”

1 identify assets which might satisfy a judgment.” The Examiner, at page 4 of the final Office
2 Action, refers to Brown’s discussion of the “debtor’s files” on pages 2-7 and 2-8 of Brown.
3 However, pages 2-7 and 2-8 of Brown appear to again focus upon the location of debtor assets.
4 Finally, page 4-13 of Brown discusses Florida law concerning debtor examinations, again for the
5 purpose of determining what property the debtor owns. Thus, even if these pages of Brown were to
6 suggest classification of bad debts according to location of the debtor’s assets (which Applicant
7 does not concede), they certainly do not suggest the classification of bad debts according to the
8 residence of the debtor.
9

10 Nowhere in Brown is it expressly stated, or even suggested, that a debtor's assets are
11 primarily located in the territory where the debtor resides, nor that successful collection of the debt
12 depends upon the presence of assets located in the geographic territory where the debtor resides.
13 On the contrary, Brown merely urges a judgment creditor to conduct an investigation of where the
14 debtor's assets are located for the purpose of determining viability of collection, as well as
15 preventing the debtor from hiding assets.
16

17 Brown’s emphasis upon the location of the debtor’s assets (rather than the location of the
18 debtor) makes perfectly good sense. Often, the debtor's assets are located in a territory that is
19 remote from the location of the debtor. In many instances, successful collection of a debt involves
20 seizure and sale of asset(s) in the territory where such assets are located. Thus, at best, Brown
21 might suggest analyzing debt items based upon the geographic territory where debtor assets are
22 located, but not based upon the place where the debtor happens to reside.
23

24 Thus, when viewed from the perspective of a potential purchaser of a debt item, the portions
25 of Brown relied upon by the Examiner simply do not teach or suggest that the geographic region in
26
27

1 which the debtor resides is a "key component" of the collection and judgment enforcement process,
2 as argued by the Examiner. Brown does not suggest the use of the debtor's residence as a
3 marketing tool for selling bad debt items.
4

5 Moreover, the system disclosed by Morris is concerned with the sale of bad debt accounts,
6 not the sale of legal judgments already obtained against debtors. On the other hand, the Brown
7 publication is directed to the collection of debts reduced to judgments. Thus, Brown would not
8 suggest any modification of the sales method disclosed by Morris for selling bad debt accounts, let
9 alone, the modification proposed by the Examiner to classify debt accounts in accordance with the
10 residence of each debtor. Even were it considered obvious to combine the cited Brown treatise
11 with the Morris reference, the proposed combination would not result in any classification of bad
12 debt accounts in accordance with the residence of the respective debtor, as called for by claim 1.
13

14 Morris discloses that the value of debt accounts may depend, in part, on "the geographic
15 origin of the accounts (e.g., country, region, state, city, zip code, etc.)". Were one skilled in the art
16 instructed to modify the system disclosed by Morris in accordance with the portions of the Brown
17 disclosure relied upon by the Examiner, the resulting system would, at best, offer to categorize
18 debts online based upon the "geographic origin of the accounts", with supplemental information
19 indicating locations where the respective debtor has assets. As noted above, the location of the
20 debtor's assets and the location of the debtor are two different things; categorizing debt items in
21 accordance with the location of debtor assets does not equate to categorization of such debt items in
22 accordance with the debtor's residence. The method recited by claim 1 allows a potential purchaser
23 to view debt items relating to debtors known to reside in the same geographical territory as that of
24 the potential purchaser. Thus, even when combined, Brown and Morris do not teach or suggest a
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1 marketing method which categorizes bad debts based on the territory where the debtor resides, as
2 recited in claim 1.

3 The Examiner may not apply hindsight knowledge, gained from Applicant's disclosure, to
4 fashion a combination of prior art references that purportedly support an obviousness rejection.
5 See *In re Fritch* 23 USPQ2d 1780 (Fed. Cir. 1992) ["It is impermissible to use the claimed
6 invention as an instruction manual or "template" to piece together the teachings of the prior art so
7 that the claimed invention is rendered obvious. This court has previously stated that '[o]ne cannot
8 use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to
9 deprecate the claimed invention.' "]. Accordingly, the rejection of claim 1 should be reversed.
10
11

12
13 Claim 31:

14 Like the method of claim 1, the system of claim 31 provides access to a bad debt item in
15 accordance with a geographic territory where the debtor resides. Thus, claim 31 is distinguishable
16 from Morris and Brown for the same reasons already provided above regarding claim 1.
17

18
19 Claim 32:

20 Like claim 1, method claim 32 recites a method of selling bad debts by placing select
21 information relating to at least one bad debt on an online sales forum, and classifying such bad debt
22 item based on a geographic territory where the debtor resides. Thus, claim 32 is distinguishable
23 from Morris and Brown for the same reasons already provided above regarding claim 1.
24

25
26 Claim 33:
27

1 The computer-assisted method of offering bad debts recited by claim 33, like claim 1,
2 allows a potential purchaser to specify a geographical location of interest, and provides the
3 potential purchaser with information relating to a bad debt matching the geographical criteria
4 specified by the potential purchaser. For the same reasons provided about to refute the rejection of
5 claim 1, claim 33 should also be allowed.
6

7
8 Claim 38:

9 The computer-assisted method of offering bad debts recited by claim 38 requires compiling
10 information relating to a plurality of bad debts, wherein the compiled information includes a
11 geographical location wherein the corresponding debtor resides. The potential purchaser specifies
12 at least one geographical location of interest, and the potential purchaser is provided with
13 information relating to bad debts wherein the associated debtors reside in the geographical location
14 specified by the potential purchaser. Claim 38 is therefore distinguishable from Morris and Brown
15 for at least the same reasons mentioned above relative to claim 1.
16

17
18 Claim 45:

19 The computer-assisted method of offering bad debts recited by claim 45 provides
20 information relating to bad debts, allows a potential purchaser to specify at least one geographical
21 territory of interest, and provides the potential purchaser with information relating to at least one
22 bad debt for which the territory in which the associated debtor resides corresponds to the
23 geographical territory specified by the potential purchaser. Claim 45 is likewise distinguishable
24 from Morris and Brown for at least the same reasons mentioned above relative to claim 1.
25
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1 Claim 47:

2 Claim 47 recites a method of marketing uncollected debts, including gathering debt
3 information about a plurality of uncollected debts, including associated debtor residence
4 information, allowing a client to specify a geographic territory of interest, and providing the client
5 with information relating to at least one uncollected debt for which the corresponding debtor
6 resides within the geographic territory specified by the client. Accordingly, Claim 47 is likewise
7 distinguishable from Morris and Brown for at least the same reasons mentioned above relative to
8 claim 1.
9

10
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12 Claim 55:

13 Claim 55 recites a method of offering bad debts for sale, including compiling a plurality of
14 bad debts, allowing a remote client to select at least one geographic territory, and providing the
15 remote client with information relating to at least one bad debt for which the associated debtor
16 resides within the geographic territory selected by the remote client. Claim 55 is therefore
17 distinguishable from Morris and Brown for at least the same reasons mentioned above relative to
18 claim 1.
19

20
21 Claims 3, 34, 38, 47, 55, 62, 63, and 64:

22 Claims 3, 34, 38, 47, 55, 62, 63, and 64 all relate to providing the potential purchaser with
23 information relating to a plurality of bad debts for which the associated debtor(s) reside in the
24 geographical territory specified by the potential purchaser. The ability to group two or more bad
25 debts together may serve to lessen the risks of collection. As described in Applicant's specification
26
27

1 (see p.17, lines 12-26; and p.18, lines 1-9), a debt of relatively low value, say \$250, may be
2 perfectly collectable, and yet still be unattractive to a potential purchaser due to its low value; a
3 potential purchaser would likely be reluctant to initiate collection efforts upon only one low valued
4 debt, since such collection efforts would take more time and resources than are worthwhile.

5
6 On the other hand, by way of example, if one or more of such lower value debts are
7 combined with other debts in a package, and all of the respective debtors reside in the same
8 geographic territory as the potential purchaser, then the package of such debts may now become
9 very desirable. The Examiner's remarks regarding general legal procedures for collecting debts do
10 not directly translate into online marketing strategies for auctions/sales of bad debts. Classifying
11 multiple debt items in accordance with the residence of the respective debtor(s) is a marketing
12 strategy that makes lower-valued debts more appealing to potential purchasers.
13
14
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16 Claims 6, 11, and 19:

17
18 The Examiner rejected dependent claims 6, 11, and 19 under Section 103(a) based upon
19 Morris and Brown in view of Rivkin. Claim 6 depends from claim 1 but adds that the "select
20 information relating to said bad debt item includes the geographic territories in which jurisdiction is
21 present over said debtor." Claim 11 depends from claim 3 but adds that the "select information
22 relating to each of said bad debts in said lot package includes the geographic territories in which
23 jurisdiction is present over said debtor." Claim 19 depends from claim 4 but adds that the "select
24 information relating to said apportioned bad debt includes the geographic territories in which
25 jurisdiction is present over said debtor." In each case, claims 6, 11 and 19 include the features of
26
27

1 claim 1 already discussed above. In addition, each such claim recites that the “select information”
2 relating to the bad debt item (or bad debts, or apportioned bad debt) also includes geographic
3 territories in which jurisdiction is present over the debtor. Thus, the select information in each such
4 case includes not only geographical information relating to the debtor’s residence, but also
5 geographical information relating to territories wherein jurisdiction is present over the debtor.
6

7 As noted above, the Examiner relies upon Rivkin as teaching the alleged obviousness of
8 modifying Morris and Brown to further define geographic territories in which courts have personal
9 jurisdiction over the debtor. The Examiner notes that Rivkin teaches that “the real property,
10 equipment, fixtures, and personal property of a judgment debtor are seized by law enforcement
11 officers and then sold at a judicially supervised public auction.” In this regard, however, Rivkin is
12 addressing the location of assets owned by a debtor against whom a judgment has already been
13 obtained, rather than the residence of a debtor against whom a judgment has yet to be obtained.
14 Thus, Rivkin does not suggest modification of the Morris debt auction disclosure either to
15 categorize debt items in accordance with the residence of each of the various debtors, or to display
16 jurisdictional information about each debtor. Indeed, it would not be obvious to combine Rivkin
17 with Morris. Rivkin’s discussion of writs of execution is directed to the enforcement of a
18 “judgment”, which presupposes that a judgment has already been obtained against the debtor. In
19 contrast, the Morris disclosure is directed to marketing of debts that have not yet been reduced to a
20 judgment.
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23 Furthermore, Rivkin refers to a jurisdiction in which the judgment debtor has “real property,
24 equipment, fixtures and personal property”, rather than a geographical territory in which the debtor
25 himself is subject to personal jurisdiction; see Rivkin, “Seizure and Sale”, second sentence. Hence,
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1 the Rivkin disclosure does not suggest modification of Morris to display and/or categorize
2 information relating to geographic territories in which jurisdiction is present over the debtor (as
3 opposed to jurisdiction over the debtor's assets).
4

5
6 Claims 8, 13-15, and 22:

7 The Examiner rejected dependent claims 8, 13-15, and 22 under Section 103(a) based upon
8 Morris and Brown in view of Keyes. However, since all of these claims depend directly or
9 indirectly from claim 1, and because the subject matter recited by claim 1 is patentably
10 distinguishable from Morris and Brown, for the reasons explained above, claims 24 and 25 are also
11 necessarily patentable.
12

13
14 Claims 24 and 25:

15 The Examiner finally rejected claims 24 and 25 (claim 24 depends from claim 1, and claim
16 25 depends on claim 24) under Section 103(a) based upon Morris and Brown, as discussed above,
17 in view of Atkinson.
18

19 Claim 24 depends from claim 1; since the subject matter recited by claim 1 is patentably
20 distinguishable from Morris and Brown, for the reasons explained above, claims 24 and 25 are also
21 necessarily patentable. In addition, claim 24 recites that the "online auction is conducted utilizing
22 consecutive and concurrent bidding phase intervals, each of said bidding phase intervals enduring
23 for a predetermined time period." The Examiner relies upon Atkinson as allegedly disclosing the
24 feature of conducting an online auction "utilizing consecutive and concurrent bidding phase
25 intervals". However, this is not so. Atkinson states (at page 1, Paragraph 0012):
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1 “Therefore, supplier-bidding auctions for products and services defined by a buyer have
2 been developed. The assignee of the present application has developed a system in which
3 sellers downwardly bid against one another to achieve the lowest market price in a supplier-
4 bidding auction. In such auctions, various goods or services may simultaneously be placed
5 for auction. In certain situations, however, there is a need to provide two or more auctions
6 falling chronologically one after another. Each such auction falling in chronological order
7 is referred to herein as an ‘auction round.’ ”

8 While Atkinson does suggest the concept of “auction rounds”, the above-quoted language does not
9 suggest concurrent bidding phase intervals, as recited in claim 24. Merely stating that “various
10 goods or services may simultaneously be placed for auction” does not necessarily mean that more
11 than one auction is being conducted at the same time. This language may just as easily be
12 construed to mean that the “various goods or services” are simultaneously being placed for auction
13 as a single auction, i.e., that those submitting bids are offering to supply all of the various goods
14 and/or services that are the subject of the single auction, for a lumped price. This construction is
15 indeed reasonable, given that Atkinson seems to contrast such a simultaneous auction with two or
16 more sequential auctions. Accordingly, Atkinson does not suggest the modification of the Morris
17 auction system to provide the method recited by claim 24.

18
19 8. Conclusion:

20 insert citation to avoid hindsight re combining morris and brown
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1 Accordingly, Appellant submits that the appealed claims define subject matter that is patentably
2 distinguishable over the applied prior art, and requests the Board to reverse the Examiner's
3 rejection of the appealed claims.
4

5
6 Respectfully submitted,

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1 **CLAIMS APPENDIX (Claims Involved In The Appeal)**

2 1. A method of auctioning bad debts to a plurality of clients, said method comprising the steps
3 of:

4 placing select information relating to at least one bad debt on an online auction forum, said
5 select information comprising at least one distinct bad debt item to be displayed on a bidding site of
6 said online auction forum;

7 establishing at least one bidding site on said online auction forum, said bidding site being
8 associated with a database, said database including said bad debt item;

9 classifying said bad debt item based on a geographic territory where said debtor resides;

10 displaying said bad debt item on said bidding site in accordance with said geographic
11 territory.
12 territory.

13
14
15 2. The method of Claim 1, further comprising the step of:

16 requiring a client to select at least one geographic territory, said geographic territory being
17 associated with a debtor who resides within said selected geographic territory.
18

19
20 3. The method of Claim 1, wherein said bad debt item is a lot package that includes a pre-
21 grouped assortment of select information relating to at least two bad debts, wherein each bad debt
22 has a debtor, each of said debtors residing within a geographic territory that is common to all of
23 said debtors in said lot package, said lot package to be displayed as a distinct bad debt item on said
24 bidding site of said online auction forum.
25
26
27

1 4. The method of Claim 1, wherein said bad debt item is an apportioned bad debt containing
2 select information relating to a particular bad debt, said apportioned bad debt comprising a
3 fractional portion of the monetary value of the whole of said bad debt and is to be displayed as a
4 distinct bad debt item on said bidding site of said online auction forum.
5

6
7 5. The method of Claim 1, wherein said select information relating to said bad debt item includes
8 the uncollected monetary value of said bad debt.
9

10
11 6. The method of Claim 1, wherein said select information relating to said bad debt item includes
12 the geographic territories in which jurisdiction is present over said debtor .
13

14 7. Canceled.
15

16
17 8. The method of Claim 1, wherein said select information relating to said bad debt item includes
18 rating information that is related to the potential for collection of said bad debt item from said
19 debtor.
20

21 9. The method of Claim 1, wherein said select information relating to said bad debt item includes
22 a predetermined minimum bid request amount, said online auction forum not to accept a bid for
23 said bad debt item that is below said predetermined minimum bid request amount set for said same
24 bad debt item.
25
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27

1 10. The method of Claim 3, wherein said select information relating to each of said bad debts in
2 said lot package includes the uncollected monetary value of said bad debt.

3
4
5 11. The method of Claim 3, wherein said select information relating to each of said bad debts in
6 said lot package includes the geographic territories in which jurisdiction is present over said debtor.

7
8 12. Canceled.

9
10
11 13. The method of Claim 3, wherein said select information relating to each of said bad debts in
12 said lot package includes rating information that is related to the potential for collection of said bad
13 debt from said debtor.

14
15 14. The method of Claim 3, wherein said select information relating to said bad debts in said lot
16 package includes rating information that is related to the potential for collection of all of said bad
17 debts included in said lot package.

18
19
20 15. The method of Claim 14, wherein said rating information is based on an average of the total
21 sum of a rating figure of each of said bad debts included in said lot package.

22
23
24 16. The method of Claim 3, wherein said select information relating to said lot package includes
25 a predetermined minimum bid request amount, said online auction forum not to accept a bid for
26
27

1 said lot package that is below said predetermined minimum bid request amount set for said same
2 lot package.

3
4
5 17. The method of Claim 4, wherein said select information relating to said apportioned bad debt
6 includes the uncollected monetary value of the apportioned fraction of said bad debt.

7
8 18. The method of Claim 4, wherein said select information relating to said apportioned bad debt
9 includes the uncollected monetary value of the whole of said bad debt from which said apportioned
10 bad debt was taken.

11
12
13 19. The method of Claim 4, wherein said select information relating to said apportioned bad debt
14 includes the geographic territories in which jurisdiction is present over said debtor.

15
16 20. Canceled.

17
18
19 21. The method of Claim 4, wherein said select information relating to said apportioned bad debt
20 includes the fractional share that was apportioned from the whole of said bad debt.

21
22 22. The method of Claim 4, wherein said select information relating to said apportioned bad debt
23 includes rating information that is related to the potential for collection of said apportioned bad
24 debt from said debtor.
25
26
27

1 23. The method of Claim 4, wherein said select information relating to said apportioned bad debt
2 includes a predetermined minimum bid request amount, said online auction forum not to accept a
3 bid for said apportioned bad debt that is below said predetermined minimum bid request amount set
4 for said same apportioned bad debt.
5

6
7 24. The method of Claim 1, wherein said online auction is conducted utilizing consecutive and
8 concurrent bidding phase intervals, each of said bidding phase intervals enduring for a
9 predetermined time period.
10

11
12 25. The method of Claim 24, wherein any said bad debt item that receives a bidding price equal
13 to or above its predetermined minimum bid request amount at the end of said bidding phase
14 interval will be classified into a purchased items database of said online auction forum.
15

16 26. Canceled.
17

18
19 27. Canceled.
20

21 28. The method of Claim 1, wherein said bad debt item is selected from said database for display
22 on said bidding site on the basis of its numerical positioning in relation to other said bad debt items
23 contained in said same database.
24

25
26 29. The method of Claim 1, wherein said bad debt item is selected from said database for display
27

1 on said bidding site on the basis of a random selection process, said random selection process
2 occurring irrespective of the numerical positioning of any said bad debt item contained in said same
3 database.
4

5
6 30. The method of Claim 1, wherein said bad debt item is selected from said database for display
7 on said bidding site on the basis of an order preference of personnel managing said online auction
8 forum.
9

10
11 31. A system for selling bad debts, said system comprising:

12 (a) a remote host system connected to a communications network ,said remote host
13 system including:

14 (i) a central processing element for processing data;

15 (ii) a data storage element for storing data; and

16 (iii) software installed for execution on the central processing element
17 and having a database that is associated with at least one sales site
18 module ,said database including at least one bad debt item, said bad
19 debt item being accessible on said associated sales site module in
20 accordance with a geographic territory where said debtor resides, said
21 software configured to run multiple, concurrent, and distinct client
22 sessions on said remote host system; and
23

24 (b) an interface element for providing public access to said software, wherein a plurality
25 of clients may each participate in an online session of said software, running on said remote host
26
27

1 system, from client systems connected to said communications network, and wherein each of said
2 plurality of clients may be able to purchase said bad debt item available for sale on said associated
3 sales site.
4

5
6 32. A method of outright selling bad debts, said method comprising the steps of:

7 placing select information relating to at least one bad debt on an online sales forum, said
8 select information comprising at least one distinct bad debt item to be displayed on a sales site of
9 said online sales forum;

10 establishing at least one sales site on said online sales forum, said sales site being associated
11 with a database, said database including said bad debt item;

12 classifying said bad debt item based on a geographic territory where said debtor resides;

13 and
14

15 displaying said bad debt item on said sales site in accordance with said geographic territory.
16

17
18 33. A computer-assisted method of offering bad debts for sale comprising:

19 compiling information relating to at least one bad debt, said bad debt being associated with
20 a debtor, the compiled information including a geographical location wherein said associated
21 debtor resides;

22 storing compiled information relating to said at least one bad debt in a computerized
23 database;
24

25 allowing a potential purchaser of bad debts to specify at least one geographical location of
26 interest;
27

1 locating bad debts stored in the computerized database for which the geographical location
2 specified by the potential purchaser corresponds with the stored geographical location wherein said
3 associated debtor resides; and

4 providing the potential purchaser with information from the computerized database relating
5 to a bad debt for which the stored geographical location wherein jurisdiction is present over the
6 associated debtor corresponds to the geographical location specified by the potential purchaser.
7

8
9 34. The method of claim 33, further comprising:

10 providing the potential purchaser with information compiled in the computerized database
11 relating to a plurality of bad debts for which the stored geographical location wherein the associated
12 debtors reside corresponds to the geographical location specified by the potential purchaser.
13

14
15 35. The method of claim 33, wherein the information provided to the potential purchaser in the
16 providing step relates to an apportioned bad debt, said apportioned bad debt comprising a fractional
17 portion of the monetary value of the whole of said bad debt.
18

19
20 36. The method of claim 33, wherein said potential purchaser purchases the bad debt.
21

22 37. The method of claim 36, wherein said purchase is internet-based.
23

24
25 38. A computer-assisted method of offering bad debts for sale comprising:
26
27

1 compiling information relating to a plurality of bad debts, each of said bad debts being
2 associated with a corresponding debtor, the compiled information including a geographical location
3 wherein said corresponding debtor resides;

4 storing compiled information relating to said plurality of bad debts in a computerized
5 database;

6 allowing a potential purchaser of bad debts to specify at least one geographical location of
7 interest;

8 locating bad debts stored in the computerized database for which the geographical location
9 specified by the potential purchaser corresponds with the stored geographical location wherein the
10 associated debtor resides; and

11 providing the potential purchaser with information from the computerized database relating
12 to a plurality of bad debts grouped as a package, each of the packaged bad debts having a stored
13 geographical location wherein the associated debtors reside corresponding to the geographical
14 location specified by the potential purchaser.

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19 39. Canceled.

20
21 40. The method of claim 38, wherein at least one of said bad debts in the packaged group of bad
22 debts is an apportioned bad debt, said apportioned bad debt comprising a fractional portion of the
23 monetary value of the whole of said bad debt.

24
25
26 41. The method of claim 38, wherein said potential purchaser purchases the packaged group of
27

1 bad debts.

2
3 42. The method of claim 41, wherein said purchase is internet-based.

4
5
6 43. The system of claim 31, wherein said purchase of said bad debt item is conducted via an
7 auction process.

8
9 44. The system of claim 31, wherein said software further includes a purchased items database,
10 said bad debt item classified into said purchased items database subsequent to being sold.
11

12
13 45. A computer-assisted method of offering bad debts for sale comprising:

14 providing a computerized database containing information relating to a plurality of bad debts,
15 each bad debt having at least one debtor associated therewith, the computerized database including
16 geographical information, for each associated debtor, indicating at least one territory wherein said
17 associated debtor resides; and
18

19 allowing a potential purchaser of bad debts to specify at least one geographical territory of
20 interest;

21 locating bad debts stored in the computerized database for which the geographical territory
22 specified by the potential purchaser corresponds with the territory wherein the associated debtor
23 resides; and
24

1 providing the potential purchaser with information contained in the computerized database
2 relating to at least one bad debt for which the territory wherein the associated debtor resides
3 corresponds to the geographical territory specified by the potential purchaser.
4

5
6 46. Canceled.
7

8 47. A method of marketing uncollected debts, each of such uncollected debts being associated
9 with a corresponding debtor, and each such debtor residing in one or more geographic territories,
10 said method comprising the steps of:
11

12 a. gathering debt information about a plurality of uncollected debts, each of said plurality of
13 uncollected debts being associated with a debtor;

14 b. gathering debtor residence information regarding geographic territories in which the
15 debtor associated with each of such uncollected debts resides;

16 c. storing the gathered debt information and gathered debtor residence information in a
17 computer storage element;
18

19 d. allowing a client to specify a geographic territory of interest; and

20 e. providing said client with information from said computer storage element relating to at
21 least one uncollected debt for which the corresponding debtor resides within the geographic territory
22 specified by the client.
23

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25 48. Canceled.
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1 49. Canceled.

2
3 50. The method recited by claim 47 wherein said client purchases said at least one uncollected
4 debt.
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6
7 51. Canceled.

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9 52. Canceled.

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12 53. Canceled.

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14 54. Canceled.

15
16 55. A method of offering bad debts for sale comprising:

17 a) compiling a plurality of bad debts, each of said bad debts being associated with a debtor,
18 wherein each of said debtors resides within at least one geographic territory;
19

20 b) providing select information pertaining to at least one of said bad debts to a remote host
21 web site connected to a communications network;

22 c) allowing a remote client to access said host web site over a communications network;

23 d) allowing said client to select at least one geographic territory; and
24

25 e) providing the remote client with information relating to at least one bad debt for which the
26 associated debtor resides within the geographic territory selected by the remote client.
27

1 56. The method as in claim 55, wherein said method includes an auction of said at least one bad
2 debt.

3
4
5 57. The system recited in claim 31 wherein said software further includes at least one sales site
6 module.

7
8 58. The method of claim 36, wherein said potential purchaser purchases the bad debt via an
9 outright sale.

10
11
12 59. The method of claim 41, wherein said potential purchaser purchases the packaged group of
13 bad debts via an outright sale.

14
15 60. The system of claim 31, wherein said purchase of said bad debt item is conducted via an
16 outright sale.

17
18
19 61. The method of claim 55, wherein said remote client purchases at least one of said bad debts.

20
21 62. The method of claim 45, further comprising:

22 providing the potential purchaser with information compiled in the computerized database
23 relating to a plurality of bad debts for which the stored geographical location wherein the associated
24 debtors reside corresponds to the geographical territory specified by the potential purchaser.
25
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1 63. The method of claim 47, further comprising:

2 providing the client with information stored in the computer storage element relating to a
3 plurality of uncollected debts for which the stored debtor residence information regarding geographic
4 territories in which the debtor associated with each of such uncollected debts resides corresponds to
5 the geographical territory specified by the client.
6

7
8 64. The method of claim 55, further comprising:

9 providing the remote client with compiled information relating to a plurality of bad debts for
10 which the geographic territory wherein the associated debtors reside corresponds to the geographical
11 territory selected by said client.
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C.F.R. §§ 1.130, 1.131 or 1.132.

RELATED PROCEEDINGS APPENDIX

Appellant is not aware of any related appeals, interferences or judicial proceedings.